

LIBRARY  
6460  
C732

Inst. Indus.  
Relations

A  
A  
0  
0  
1  
4  
5  
4  
5  
3  
9  
6



UC SOUTHERN REGIONAL LIBRARY FACILITY



THE LIBRARY  
OF  
THE UNIVERSITY  
OF CALIFORNIA  
LOS ANGELES

# THE LESSON OF BLACK FRIDAY:

A Note on Trade Union Structure

BY  
GERALD GOULD



1921

LONDON:

THE LABOUR PUBLISHING COMPANY, LTD.,  
6, TAVISTOCK SQUARE, W.C.

AND

GEORGE ALLEN AND UNWIN, LTD.,  
40, MUSEUM STREET, W.C.

PRICE ONE SHILLING.



# THE LESSON OF BLACK FRIDAY

Library  
Institute of Industrial Relations  
University of California  
Los Angeles 24, California

*BY THE SAME AUTHOR.*

**Lyrics**

**An Essay on the Nature of Lyric**

**Poems**

**My Lady's Book**

**Monogamy**

**The Helping Hand**

**The Happy Tree**

**Lady Adela**

**The Journey : Odes and Sonnets**

**The Coming Revolution in Great  
Britain**

# THE LESSON OF BLACK FRIDAY:

A Note On Trade Union Structure

BY  
GERALD GOULD

1921

LONDON

THE LABOUR PUBLISHING COMPANY, LTD.

6, TAVISTOCK SQUARE, W.C.

AND

GEORGE ALLEN & UNWIN, LTD.

40, MUSEUM STREET, W.C.

*My thanks are due to the Editor of the FORTNIGHTLY REVIEW for allowing me to incorporate in my second chapter, with only a few slight verbal alterations, a considerable portion of an article which appeared in that Review under the title "Coal and Revolution."*

G. G.



## INTRODUCTION

I HAVE attempted in the following pages to make clear two things : (1) the actual technical structural weakness of the trade union movement at the present moment, which is obviously a question of pure fact and unrelated to our judgment of whether the aim of trade unionism is good or bad ; and (2) the underlying assumption of present-day trade union activity.

I am not pretending that all trade unionists, or even the majority of them, are conscious of whither their trade union activities are tending. Most trade disputes are entered into, on the men's side at any rate, with a view to the immediate future only, and concern an actual rise or fall of money wages. But it is becoming more and more clear to an increasing number of trade unionists that these temporary conflicts merely repeat themselves, and that any nominal or apparent advance wrung from the employers in times of good trade is first of all overtaken and rendered useless by an increase in prices, and secondly attacked and undone by the employers in a time of trade slump.

The lesson is therefore being learnt that a trade dispute, to be successful from the point of view of what the men really—even if not consciously—desire, must be carried to the fundamentals.

This was made more obvious than ever in the coal

lock-out, which I therefore in my second chapter take as the type of recent industrial disputes. But, before that, in my first chapter, I deal with what might have happened had the structure of trade union organisation been different, and show in outline the sort of reconstruction that will be necessary if Labour is ever to win more than very temporary, partial, and trivial victories—if, indeed, Labour is to save itself from disastrous and continuous defeat.

# The Lesson of Black Friday

## CHAPTER I

NEVER have the weaknesses or the potentialities of the trade union movement been made clearer than in the recent coal dispute.

It is generally recognised that victory of a very far-reaching kind was actually within the grip of the Labour Movement on April 15th, 1921, and that on that day the Movement suffered a defeat of which all the subsequent defeats have been the natural and logical consequences.

Now, if we are to learn anything from the past, and apply it to the future, we must be willing to face the fact that mistakes have been made, and to learn from them in the right spirit. There ought to be no personal recrimination. The question of whether such recrimination is justified, though important, is secondary to the more practical question of whether it can possibly do any good.

To take straight away the extreme case as typical of the rest: Mr. J. H. Thomas has been more attacked and abused over his actions within the Triple Alliance than any other single individual, and, if it can be shown that it is quite beside the point to abuse Mr. J. H. Thomas, it will follow that it is equally beside the point to abuse any other of the leaders.

Mr. J. H. Thomas has two replies to his critics: firstly, that the line he took on that vital April 15th

and the days preceding was taken with the full knowledge and co-operation of the Executive of the National Union of Railwaymen : secondly, that since that date an overwhelming majority of delegates from his union have voted approval of his actions.

Whatever blame, therefore, may be attached to anybody for the disasters that have overtaken Labour, it is quite clear that such blame must be shared out over the whole Movement, and not concentrated upon any individual. No individual *could* go counter to the Movement from inside it, if it were really of one mind and effectively organised to give expression to its mind.

To blame the rank and file of the N.U.R. would be as absurd as to blame their individual leaders. Most of them were not in a position to know what was being done until after it was irrevocable.

If, then, we cannot blame leaders, whose action is subsequently endorsed by the rank and file, and cannot blame the rank and file, who are necessarily at critical moments dependent on the advice or instruction of their leaders, we are left with nobody to blame.

What applies to the N.U.R. applies equally to the Transport Workers and to the Miners themselves. In every case, blame, recrimination, fault-finding, heresy-hunting, are pure waste of time, and worse than that, because they divert our attention from what we ought really to be discovering and acting upon. In any case, for outsiders, who have not had to share the responsibility or risk the suffering, to blame anybody for abstention from this or that course of action is very easy. It may sometimes be allowable, if it is done with absolute honesty and disinterestedness, and with no purpose except the service of the Movement. But in this case, I believe, the Movement is best served by abstention from all such personal criticism.

Clearly, however, there is *something* that must be criticised, because something went wrong. A sort of paralysis, a powerlessness at the critical moment, came over the Movement. Why?

If we are ever going to discover the answer to that question, we have got to have the pluck to face the reality of what happened, to put our finger on the mistakes and admit that they were mistakes: in short, to learn from the past for the benefit of the future.

What, then, is, in brief, the history of the past year?

In October, 1920, there was a coal strike, and a movement towards concerted action by the Triple Alliance. The Triple Alliance did not take concerted action, and it was realised that its form and structure were not adapted for the taking of action. It therefore follows that, between the coal strike of October, 1920, and the next big upheaval affecting the Triple Alliance (which took place roughly six months later, in April, 1921) there ought to have been some alteration of the Triple Alliance structure, so as to *enable* it to take action.

During that interval, Mr. Robert Williams, Secretary of the National Transport Workers' Federation, pointed out in two memoranda one weakness of the Alliance. But no effective steps were taken to amend it. His point was that, whereas the Miners, by the constitution of their Federation, were protected from ever being precipitated unwillingly into a sudden contest in support of the N.U.R. or the Transport Workers, the same safeguard did not operate in the case of the Transport Workers or Railwaymen if they were called upon to take sudden action in support of the Miners.

The Miners cannot be called out on strike except by the taking of a ballot, which involves a slight delay and the placing of the issue before the individual

members of the rank and file (who will, in case of action, have to do the fighting and suffering).

The Railwaymen are not so protected. Their Executive can, at any moment, call them out if it thinks fit—though in practice, of course, it would never do so unless it felt tolerably well assured that the rank and file were behind it.

The case of the Transport Workers is even more complicated. As a Federation, they have no such safeguard as the Miners' ballot, nor any such capacity of immediate action as the Railwaymen; and that is because they are not a fully centralised, organised unit, but a Federation in the vague general sense, consisting of a number of unions with various rules, methods, and safeguards of their own.

So far, three lessons emerge.

In the first place, what has been said about the Triple Alliance applies with far more force to the whole Movement. It is not three unions or Federations merely, but the whole body of industrial workers (numbering roughly  $6\frac{1}{2}$  millions) who are affiliated to the Trades Union Congress, that ought to constitute a centralised, organised unit. It is not fair, either to the Triple Alliance or to the rest of the Movement, that the whole responsibility of such a gigantic issue as a general strike should be thrown upon three bodies only; and I am commenting on the structure of the Triple Alliance specifically, not because I think it or its leaders are to be blamed, but rather for the opposite reason—because it stood out as further advanced towards an organised structure of trade unionism than did the Trades Union Congress itself or any other section of it. By seeing what *it* could have done, partial as it is, we can see how much more the whole Movement could have done.

If it is true, as it is, that between October, 1920, and April, 1921, the Triple Alliance had had time—

if it had but possessed the will—to set its house in order and rectify the defects that had been pointed out, even more true is it that in the same period the whole Movement, which, in 1920, had approved plans involving (it was hoped) a “General Staff,” had had time to get such a General Staff into working order, and had failed to do so.

Here again, however, no criticism is implied of individuals. Each particular person engaged upon or concerned with the fashioning of a General Staff had certainly worked very hard at the problem. But that is not the point.

**The point is that the Movement had not attained the co-ordination of effort and purpose, the driving power and will, to insist that whatever else was allowed to go by the board, whatever other part of the manifold duties of trade union secretaries had to be delegated or transferred or held over, at any rate there should be a central, fighting machine for the main purpose of trade unionism.**

In the second place, the lesson we have been able to learn so far is that, even supposing it had been impossible for the Triple Alliance in the six months under review to remodel its actual constitution, at any rate, when the time came, it was possible for action to be taken which would in practice, if not in theory, have over-ridden the difficulties.

Thus, for instance, if the N.U.R. felt it a legitimate grievance that they could be called upon to strike in support of the Miners without a ballot although the Miners could never be called upon without a ballot to strike in support of them, *at any rate there was time in the months preceding April, 1921, for the will of the rank and file of the N.U.R. to be consulted on the matter.*

Similarly with the Transport Workers. Each individual union within the Transport Workers’

Federation could, if necessary, have been balloted before the crisis actually developed. And this brings us to the other point—the third lesson which we are already in a position to learn.

**Not merely the three constituent members of the Triple Alliance, but every union in the country, was concerned ; and the will of the whole Movement could have been ascertained and put into effect.**

This again may be misunderstood as a criticism of individuals ; and, as that is not what I mean, it is necessary to make my meaning very clear. I am not saying : “ The rank and file were willing to act as one huge united body in April, 1921, and the leaders refused to give them the opportunity.” What I am saying is that actually no machinery existed for ascertaining with certainty *what* the rank and file wished, or even what the rank and file knew.

The overwhelming majority of the rank and file reads, day by day, newspapers which put a point of view antagonistic to the Labour Movement in most industrial disputes, and working-class opinion in consequence is naturally not very coherent or solid. For, in the absence of a nation-wide Labour press to put the issues before the workers from the point of view of their own interests, there has been, equally, no other organisation, no intelligence service throughout the branches of trade unions, to form or to discover a uniform purpose. *It is structure, organisation, unity that have been lacking ; and the new General Council of the T.U.C. will be judged by whether or no it creates such structure, organisation and unity.*

I am not, so far, discussing whether the aims of Labour are legitimate. I am frankly admitting that those aims are not coherent. What I am saying is that, supposing the interests of the seven million organised workers have anything in common, there



has nevertheless been no machinery for a common safeguarding and advancing of those interests.

Now, let us see the result.

It cannot be said with any show of truth that the crisis of April, 1921, was sprung upon any branch of the Movement unexpectedly. It was perfectly well known in Labour circles for months before, not merely that the trade slump and the growth of unemployment would naturally, according to all precedent, be used by the employing class as an instrument of forcing down wages and the workers' standard of life, but also that, in actual present fact, steps to that end were being taken.

There is in the employing class none of the confusion or contradiction that we see among the class of the employed. That is not because they are cleverer: it is chiefly because they are fewer. It is easy for the heads of "Big Business" to get together. Rightly or wrongly, for good or ill, the economic control of capital and finance—and therefore, indirectly, of politics and public opinion—is in the hands of a very few people, and it needs no great wisdom or courage on their part to devise and take concerted action against the whole of the class that they directly or indirectly employ.

Well, they did so. *The point for us to concentrate upon is that we all knew they were doing it.* There was very little concealment about it. It was exposed in the Labour press for months before it happened. Already, in the autumn of 1920, when the cost of living was still going up, it was known that there was a concerted movement among employers to set their faces against any further wages demands which might be put forward with the object of keeping up wages in proportion to the cost of living. But then came the slump, and the cost of living began, though not very rapidly or convincingly, to fall—and immediately the employers

turned from mere resistance to aggression. Wage-cuts of one kind or another were proposed in various industries before April, 1921 ; but I do not propose to go into the details of these. For, as was recognised on all hands, the sudden decontrol of mines five months before the date originally fixed by law for that decontrol, and the announced intention of the mine owners to make the date of decontrol the date also for a sudden and violent lowering in miners' wages, constituted the first big massed attack in the organised capitalist offensive against the working class.

I repeat, and repeat again, because it is the essence of the whole situation, that there was no secrecy, no unexpectedness, about the attack. For weeks before the coal owners posted their lock-out notices, it was known, and announced in the public press, that the lock-out was coming, and that it was going to be followed by similar action in other industries.

Every word of that prophecy has proved true. The lock-out in coal was followed in quick succession by lock-outs, or threats of lock-out, in cotton, wool, engineering, and other trades, and by the enforcement of wage reductions in practically every industry throughout the country. The thing was done quite frankly and brutally. In many cases the workers' demand for negotiations or arbitration or reference to an enquiry under Government auspices (requests which, one would have thought, were mild and peaceful enough) were rejected with contumely. The employers simply posted their notices and ordered the men to give way. And, sooner or later, after more or less resistance or negotiation, in most cases the men have *had* to give way.

Yes, the prophecy has been fulfilled. But in the weeks immediately preceding April 1st, 1921, it was not a question of depending upon mere prophecy.

*The lock-out notices were up.* It was known, as definitely and certainly as it is known that the sun will rise to-morrow, that a big fight was coming, and that the Miners were in the front line of the fight.

**The Triple Alliance knew that it was to be called upon to act in conjunction with the Miners, and the rest of the Movement knew that it would have to take a line either in support of the Triple Alliance or in antagonism to it.**

What happened? *On the actual eve of the fight, not before,* the Miners went to the other members of the Triple Alliance and asked for sympathetic action. The Triple Alliance agreed, and announced a date for that action.

The reopening of negotiations between the Miners, the mine owners, and the Government afforded an opportunity for postponement, and subsequently a second date—namely, April 15th—was fixed for a railway and transport strike (which would, in its effect, have amounted to a general strike).

Meanwhile, the rest of the Movement was very properly consulted. Here again the only point of criticism is that this was done *after*, and not *before*, the fight began. All the bodies which were entitled to be consulted expressed a perfectly unanimous opinion. The Parliamentary Committee of the Trades Union Congress, the Labour Party Executive, the Parliamentary Labour Party, declared unanimously that the demands of the Miners were just and ought to be supported.

This is the second point on which we have to concentrate. It is quite idle now, after the fight, for anybody inside or outside, to take the line that the Miners' demands were unjust or injudicious, that the Pool ought not to have been put forward, that a wage-settlement ought to have been effected on the

best terms possible in March, and so forth. I do not propose to discuss whether any of those contentions are justified by the facts: that is to say, whether any of them *could* have been justified if put forward at the crucial time. The only relevant fact is that nobody did publicly put them forward at the crucial time. When the issue was being fought out, when the battle was set, when all the great official bodies were consulted: at that time, unanimously, all the spokesmen of Labour declared that the Miners' claims were just and ought to be supported. That is final.

**Having committed itself to that view, the Movement ought to have possessed the organisation to make that view effective.**

The spokesmen who gave their assent to that view were the national representatives of a Movement seven million strong. There ought to have been an organisation by which their opinion could have been circulated among the rank and file, and a response to it obtained from every corner of the country. There ought to have been such an organisation, if only for the self-protection of the leaders themselves. For suppose it were true (as some of the leaders, as well as the enemies, of the Movement were busy suggesting) that the view to which the leaders were publicly committed was not actually the view of the rank and file, and that they therefore could not expect the rank and file to follow them in making that view effective? Then, surely, it would have been in the best interests of everybody for the true state of affairs to become known.

This would have meant, certainly, defeat—but it would have meant defeat without the waste of a hopeless and abortive struggle. It would have meant that the whole Movement, acting as one, would have negotiated a compromise settlement,

unsatisfactory no doubt, but certainly not more unsatisfactory than the compromise ultimately attained after the depletion of trade union funds and the long sufferings of the Miners.

Suppose that had been the situation. Suppose the rank and file of the rest of the working class had said to the Miners: "We think your case either unjust or injudicious, or, at any rate, not such a case as we are at this moment prepared to take the risk of fighting for." It is possible that, even so, the Miners would have insisted upon fighting single-handed; but they would have known where they were. At any rate they would not have gone into the fight under any delusions or with any false hopes. And it is reasonable to suppose that they would have conducted the fight in rather a different way. Because they had false hopes, because they were led to suppose that the whole Movement was solid behind them, they consented right at the beginning of the lock-out to withdraw their one strong weapon—the weapon upon which they would have been compelled mainly to rely if they had been fighting single-handed: namely, the abstention from work of the safety men.

Those safety men had been locked out just like the other miners, but special temporary terms were offered them to return to work. The other two members of the Triple Alliance made it a condition of co-operation with the Miners that the safety men should be allowed to return to work, and the mines preserved. The Miners consented. The safety men went back. The mines were saved—and consequently all incentive on the part of the Government or owners to effect a speedy conclusion of the contest was removed.

The Miners consented to this because they expected the co-operation of the other members of the Triple Alliance—and they did not get it. They did not get

it because there was no coherence either of purpose or of organisation in the Alliance.

We have traced the story up to the point at which a complete Triple Alliance strike was announced for April 15th, and the rest of the Movement had expressed unanimous sympathy, if not active support. But indeed more than mere sympathy had been expressed by the rest of the Movement. One or two other unions appeared determined on sympathetic strikes of at any rate a partial nature, and several very large unions, embracing a considerable proportion of the "unskilled" workers of the country, had expressed their intention of abstaining from all work which could be considered direct or indirect blacklegging on the Transport Workers and Railway-men.

In other words, the strike, though not called by a central body representing the whole Movement, would in its actual practical operation have been a strike of the whole Movement. The industry of the country would have been paralysed; and, if the strike had been successful, not merely the Miners, but every other branch of the Movement which has subsequently had to submit to defeat, would have won.

So definite is this that, on the afternoon of April 15th, the Cabinet itself took the view that it was defeated; and

**had the Triple Alliance persisted in its intention to strike, it would have won without even the necessity of striking.**

But, meanwhile, something had happened.

And this brings us to the fateful night of April 14th, when Mr. Frank Hodges addressed a meeting of Coalition members of Parliament and suggested that the Miners would be willing to accept a temporary wage settlement and leave the larger issues of the Pool and the National Wages Board in abeyance.

I want to say at this point that all attempts to saddle Mr. Frank Hodges as an individual scapegoat with the responsibility and consequences of this speech seem to me unjust, for the following reason : there were present other officers and representatives of the Miners' Federation, including the Acting-President himself. They heard the speech, and they did not interrupt or contradict it. They therefore must share the responsibility. Nor have they shown any tendency or inclination to shirk it.

No single individual, therefore, can be blamed for the consequences which ensued. Moreover, even if we attach the maximum of importance to Mr. Hodges' statement as having provided an excuse for such leaders of the Railwaymen and Transport Workers as wanted to back out, we must not forget that these would in any case, probably, have devised some excuse for doing what they wanted. Nor can we judge what followed without remembering exactly the terms which the Triple Alliance had laid down for its support of the Miners.

We have seen that it insisted on the safeguarding of the mines from destruction. But we have now to look at the exact phraseology of its promise. That promise was explicitly made conditional on the absence of any new offer from the Government and the mine owners which the Railwaymen and Transport Workers could recommend the Miners to accept.

Let me paraphrase this, to make it abundantly clear.

The Executives of the Railwaymen and Transport Workers said, in effect, to the Miners : " We consider your total demands just, and we think you ought to have them conceded ; but, at the same time, we leave the door open up till the last minute for a compromise. We do not say that in all circumstances, whatever happens between now and then, we will, on the night of April 15th, come out to win

for you the whole of your demands, although we admit that to do so would be just. What we do pledge ourselves to is this: we will support you in the fight for your total demands *unless* in the interval you are offered something which, though not amounting to your total demands, is yet so good an offer as to make us feel that you ought to accept it, and that it is not worth while calling all our men out and risking everything on a general strike for the sake of the difference between such new offer and your original demands."

It remains a point of controversy whether what happened did actually amount to a new offer from the Government or mine owners. What happened was, of course, that the Government accepted with joy and enthusiasm the suggestion of a temporary wage settlement put forward by Mr. Frank Hodges, and invited the Miners' Executive to reopen negotiations on that basis. But, be it noted, it did not say that it would make any concessions. It did not make a firm, or even a provisional, offer of actual terms to the Miners. It did not commit itself to offering them anything better than it had offered them before. And this is why the point remains one of controversy. It is open to the Miners to say to the Railwaymen and Transport Workers: "You promised to support us in our full demands unless we received a new offer which you could recommend us to accept. Well, we received no new offer of any kind, and therefore your promise to support us should have stood." It is open to the Railwaymen and Transport Workers to retort: "You did receive a new offer, although it was not a concrete and detailed one. It was an offer to reopen negotiations on wages simply, which carried with it the implication that you would be offered better wages than you had been offered originally; and we did recommend you to accept that offer—which had,



moreover, actually been invited by your own Secretary ; and you refused."

The Miners' Executive refused to endorse the proposal that Mr. Hodges had put forward. They decided not to re-enter negotiations on the basis of a temporary wage settlement, but to persist in their full demands ; and they reiterated that the Railwaymen and Transport Workers were committed to supporting them by the promised strike. Further, they took the view that, until that promise had been fulfilled and the Railwaymen and Transport Workers were on the field of battle beside them, they could not accept the Executives of those two bodies as co-operating negotiators with them in any dealings they might have with the Government or the owners.

As I have already insisted, the Executives of the other two branches of the Triple Alliance contained a considerable number of leaders who had throughout declared themselves convinced, rightly or wrongly, that they had not the rank and file of their unions behind them ; and these leaders were now reinforced in this opinion by the flood of puzzled and enquiring messages which naturally came in over the wires on Friday morning as a result of Mr. Hodges' speech on Thursday night. The branches of the unions which had received the definite instruction to come out at a certain hour on Friday, when they opened their papers on Friday morning and found that the suggestion of a temporary wage settlement was in the air, inevitably began to wonder whether they were to be called upon to strike after all ; and many of them, of course, felt a measure of relief—for it is not in human nature to plunge into a fight of this magnitude with a light heart.

The strike, therefore, was called off. Explanations and recriminations were justly and honourably kept private until the crisis had passed over. It was felt that for each branch of the Triple Alliance to

defend itself in detail and give its reasoned charges against the other branches would merely weaken the Miners in their continued fight, and lead to no good. Since the settlement, however, there has been plenty of washing of dirty linen in public, plenty of controversy, both within each Union or Federation and as between individual members of the Unions and Federations concerned. That is inevitable, and healthy. When grievances are genuinely felt, it does no good to bottle them up indefinitely, and it is impossible for a movement of several millions of people not to have acute differences, both personal and tactical. Attacks on individuals are waste of time ; but criticism of the actions of unions and union executives is a necessary condition of progress.

We see now where the weakness came, and what ought to have been done. It is very easy for an outsider at any time, and particularly after the event, to talk about what ought to have been done ; and such language is used here, not with the arrogant suggestion that the user of it, or any other critic of the trade union movement, would have done better than the people who had the responsibility actually did, but simply in the general sense, that if we do not learn from experience, we shall never learn from anything at all. Everybody makes mistakes, and, unless we admit that about ourselves and each other, we shall get no improvement.

Well, then, what *ought* to have been done was this. In the weeks preceding the crash, when everybody knew beyond cavil or equivocation what was going to happen, before the lock-out notices were actually expiring,—*then, and not later*, the heads, the leaders of the trade union movement, ought to have got together and decided upon a common policy. Ideally, there ought to have been in existence a General Staff—such a central, organising, fighting body as the new General Council, or the new Joint Committee of

the General Council and the Labour Party, will have to provide if they are to mark a real advance. It would, however, have been sufficient for practical purposes if even the Triple Alliance had got together in an effective way.

**Then was the time, weeks before the crash, for the leaders of the Railwaymen and Transport Workers to say whether they did or did not approve of the Miners' demands for a National Pool and a National Wages Board.**

**Then was the time for them to say whether they were prepared to call their men out in support of the Miners' whole demands, or whether they would make the Miners' willingness to accept a wage compromise a condition of their assistance.**

**Then was the time for them, either by ballot or by branch meetings and the summoning of delegates, or by any other explicit democratic method, to ascertain the views of their rank and file.**

**Then was the time for them to organise their strike machinery.**

None of these things was done. There was no machinery, there was no trade union structure, of the kind necessary to ensure that these things should be done. It is perfectly idle now for the other branches of the Triple Alliance to accuse the Miners of being headstrong and self-willed and secretive, and of plunging into great industrial disputes and expecting support in them without consulting anybody else. It is equally idle now for the Miners to accuse the other branches of having had no clear policy of support or non-support, and only an abortive instrument for putting support into effect. The time for all that was, at latest, early in March, 1921.

Why was the essential not done? Because the machinery was so scrappy that each trade union executive could go its own way up to and over the last moment, and there was no force in existence to

insist that that executive should co-operate with others. *This is what has always, so far, been the matter with the structure of the trade union movement.*

That all difficulties of this kind can, in an emergency, be over-ridden might have been denied before August, 1920 ; but, with the example of the Council of Action before us, it can no longer be denied. The Council of Action definitely over-rode not merely precedent, but actual trade union organisation. The executives of unions did actually take power to call out their members, even though by the constitution of their unions they had no such power ; and they did actually delegate to a central body, constituted *ad hoc*, the power to levy funds from the whole Trade Union Movement and to use those funds for the purpose of calling out any section at any time, quite irrespective of whether that section was or was not protected by its own constitution.

In other words, all the rules were scrapped ; a central body was set up which had the power to do literally anything ; and the Movement endorsed this unconstitutional action.

The result was success ; the Russian War was stopped.

Now, the lesson of this is—not that a Council of Action should be called together in an unconstitutional way every time a crisis arrives, but—*that there should be no need for unconstitutional action in any crisis.* As long as we leave things as they are, it must be fortuitous whether or not the spontaneous rising of public opinion will, at any given crisis, over-ride trade union constitution. It did so in August, 1920, in face of a big emergency. It completely failed to do so in March, 1921, in face of a much bigger emergency.

Obviously, then, we cannot leave things to the chance of whether the emergency does or does not produce an unconstitutional movement. What we

need is a working constitution of such a kind that automatically a Council of Action comes together, and acts, at *any* crisis. This means a standing body, elected preferably every year, of men representing the whole Movement (that is, they should represent both the industrial and the political side of it) and entrusted with the specific function of finding out, whenever a dispute threatens, what is the actual point at issue, whether the rank and file of the union concerned in the particular dispute desires to go through to the bitter end, how far the executives and members of other unions are prepared to support it to that bitter end, and what resources can be called upon, therefore, from the whole Movement to support strike action.

Such a body of trusted men should obviously have powers commensurate with its responsibilities (and the question concerning the new Joint Committee is whether it has such powers). It would come out into the open, on a given occasion, and say: "We have gone into the merits of this dispute. We are not going, on the one hand, to express our conviction of the justice of the men's case and then fail to provide them with support to win that justice; nor, on the other hand, to declare that we think their case untenable and then play about with the idea of supporting it nevertheless, because they have insisted upon fighting for it. No: our line is clear and definite. In this case, we do not think this particular union can expect the whole Movement to support it in its specific claims. We think those claims are either excessive or, at any rate, tactically inadvisable at the moment. We advise a compromise, and we are not prepared to support a fight." Or, alternatively, on a given occasion, they would say: "These terms are just. We endorse them, and we appeal to the whole of the rank-and-file movement to know whether it will back us up in endorsing

them, not merely by words, but by acts." In either event, solidarity would be secured.

The Miners have shown that, as a matter of mere organisation, it is possible to ballot over a million men within three or four days ; and so small a delay would never be fatal ; for, as we saw in the case of the coal lock-out, several weeks' notice of a big dispute is always bound to be either directly or indirectly given.

If a million men can be balloted in three or four days, then, by splitting up the job and making each executive responsible for ascertaining the views of its own members, seven million men and women can be balloted in precisely the same time.

There is no new principle involved in these proposals. The only difference between such a body as I have advocated and the Council of Action is that this new body would be constitutional whereas the Council of Action was not constitutional. This body would levy no central fund, would issue no universal orders, that the Council of Action did not contemplate levying or issuing and actually take to itself the power to levy and to issue. No one who supported the Council of Action can logically or conscientiously oppose the present proposal. The thing *has* been done—but it was done in a hurry, and allowed to fade away again into nothingness once its immediate object was partially achieved. The thing therefore *can* be done—and the operating machine can be kept in being.

If it, or anything like it, had been in existence in March, 1921, there would have been no scope for the misunderstandings and recriminations which have ensued. There would have been no chance of the Miners' being defeated ; and, consequently, there would not have been the general beating down of the workers' standard of life which has ensued, or is ensuing, in engineering, cotton, wool, agriculture,

transport, and almost every other trade. Victory would have been won on April 15th.

How far have we progressed towards the creation of such an "operating machine"?

The new General Council of the Trades Union Congress is charged to "keep a watch on all industrial movements" and to attempt, "where possible," to "co-ordinate industrial action." It is to "promote common action by the Trade Union movement on general questions, such as wages and hours," and indeed in any dispute "of general concern"; and "shall have power to assist any union which is attacked on any vital question of Trade Union principle."

Similarly, the National Joint Council, consisting of the Chairman and Secretary and three other members of each of the three nationally representative bodies—the General Council, the Labour Party Executive, and the Parliamentary Labour Party—shall "consider all questions affecting the Labour Movement as a whole, and make provision for taking immediate and united action on all questions of national emergency": also it shall "endeavour to secure a common policy and joint action, whether by legislation or otherwise, in all questions affecting the workers as producers, consumers and citizens."

It is impossible to say how much power is here accorded to the central Councils, as against the cherished autonomy of the separate unions. Such phrases as: "shall have power to assist," and "make provision for taking *immediate and united action*" are full of promise. But only experience can show whether the Movement is, in practice, prepared to use these new bodies as an authoritative General Staff.

## CHAPTER II

WE have traced the course of the Miners' dispute. But we cannot understand why it took that course, or even why it happened at all, unless we tackle the economic fact underlying it.

The details were canvassed in great detail in the daily press. What I propose to do here is to disentangle from the details the economic issue, which is in reality extremely simple, and to ask whether that issue can be tackled and solved within the existing capitalist order, even granted, on both sides, the extremest willingness to compromise. That something capable of being called a compromise could have been patched up at any stage during the dispute is, of course, not deniable. And there is a very large school of politicians and public men who pride themselves on being what they consider practical in virtue of their readiness on all such occasions to patch up any compromise rather than none. It is my purpose to suggest that, in fact, compromise of this hand-to-mouth character is the very reverse of practical politics, because it leaves the essential unsettled.

The coal dispute has shown in concrete events what the theorists of the Labour Movement had long put forward in the abstract as inevitable. The theory, in brief, was this: "So long as the present system for good or ill exists, so long will industrial disputes recur with ever-increasing violence, and so long will the settlement by compromise of this or that dispute leave unchanged the one grievance which to the workers is fundamental. The workers,



that is to say, will remain at or about the bare level of subsistence, and everything that is produced over and above the amount of wealth necessary to provide them with that subsistence will be drawn off into the pockets of private capitalists in the form of rent and interest."

Measured by the figures of impartial statisticians and the official returns of Government Departments as to wages and the cost of living, the bare fact is that the standard of the manual working class, while considerably higher a quarter of a century ago than it was a quarter of a century before that, and considerably lower now than it was a quarter of a century ago, still, over the whole half-century under review, and indeed for a considerably longer period, has remained for practical purposes round about the one level, and that the level of bare subsistence. It is only fair to remember, even while facing this fact, that there are other factors in the standard of life besides wages and the cost of living. Thus free education, the feeding of necessitous school-children, and old age pensions may, from one point of view, be regarded as grants in aid of wages; and it is obvious that exceptional employment, such as was experienced during the War, or exceptional unemployment, such as we are experiencing now, is a larger factor in the workers' standard of life than even the nominal rate of wages. Moreover, the official figures have often enough been criticised. But, when all allowance is made for the fluctuating elements in the problem, the broad general fact remains proven by experience as well as by statistics.

The attempt to force down the wages of the mine workers even below subsistence level was a peculiarly striking instance of the general case.

The owners wanted to reduce wages, and, if, as the Miners believe, they also wanted to break the trade union strength of the Miners' Federation, at

least their case was, from their own point of view, complete without any such addendum. *They said they could not afford to pay a living wage : the Miners said they must.* That was the economic issue, pure and simple. And by its very nature it was political : it involved the whole question of revolution.

If we are going to get at the economic essential, we must strip the question, as far as possible, of all psychological complications and imputations of motive. While, for instance, nothing will ever induce the Miners to believe that the sudden de-control of the industry, five months before the date previously fixed by law, and at a time of unprecedented slump in the trade, was other than a political move concerted between Mr. Lloyd George and the representatives of "Big Business" ; and while the existence of such a conviction must always be a big factor in any fight, because of its effect on the mood and temper of the combatants—still, ultimately, any settlement which is to last must be based on the hard fact of economic reality.

The owners' case, as put forward for public consumption, not merely by themselves, but much more clearly and repeatedly by their allies and spokesmen in the Government, was simply that the industry could not afford more than the low wages offered. I say "simply" : and indeed nothing could sound simpler. But in point of fact there is a double ambiguity in the apparently innocent use of the word "industry."

In the first place, the owners' case in practice was based not on what the industry could afford, but on what each fortuitous area could afford. That was the first point on which the Miners joined issue. It is a mistake to regard the Pool suggested by their leaders as having been a vital principle. It was simply a device, and admittedly not the best, for preserving the unity of the industry and—what *was*

a vital principle—national agreements. At any stage during the dispute, the Miners would have abandoned the Pool if they had been offered an alternative which would have secured the unity of the industry. For their own part, they have indeed always declared their preference for securing unity by the method of nationalisation. There is a third method, in which nobody can profess to see any practical difficulty, since, although Mr. Lloyd George now verbally denounces it as uneconomic, impracticable and indeed impossible, he himself operated it with considerable success for several years. That method is Government control. Each of these three methods is capable of modification in detail; but the three together cover the three main possibilities of unity, and I believe it would pass the wit of man to suggest a fourth.

The second ambiguity involved in a loose use of the word "industry," when we talk about industry paying its way, is the confusion between a particular industry and the whole industry of a country as such. Clearly, the whole industry of a country must pay its way if the country is not to go bankrupt: but to argue from that that each industry must *separately* pay its way is to argue in opposition to all the known facts. The army does not pay its way; the local upkeep of roads does not pay its way; during the War, the railways did not, in the sense in which the Government uses the phrase (for in capitalist and Government parlance "paying your way" includes the provision of dividends), pay their way. There is then no reason in the nature of things why the coal industry should pay its way. It would naturally be worth our while, as a pure business proposition based on nothing but economic realities, to subsidise the coal industry to any conceivable extent rather than let it die out—for the simple reason that, as things are, if the coal industry died, we should die too.

The clearing up of these ambiguities, however, merely presents us sharply with the central economic question, which is so large and obvious that it is scarcely ever seen, and on which nevertheless turns the whole case for or against revolution. (By revolution, of course, I do not mean barricades and bloodshed, but a change in the economic basis of society.) That question is : In what, if any, sense can it be said that an industry " cannot afford " a living wage ? This and nothing else is the essential ; and on this revolution turns.

**For if industry can pay a living wage but will not, revolution becomes an ethical desideratum : and if it genuinely cannot, revolution is only too likely to become a confused, chaotic, disastrous, but established fact.**

Any given industry yields so much a year, and out of that has to pay costs of production (inclusive of depreciation, extension, taxation, etc., but exclusive of wages) ; wages ; and profits (in the sense of net private profits). Clearly, in any one industry, or even in industry as a whole, the situation may be reversed by increase or decrease of productive power ; but this, except in such extreme cases as the possible failure of the world's food supply (which would make all other economic problems irrelevant), does not affect the point at issue. The workers' case is that, of the three things which have to come out of the yield of industry, two are, or ought to be, constant. Costs are presumably a fixed quantity. (Everybody knows that in actual practice, in the coal industry especially, they are greater than they need be : but it has to be presumed that they have been reduced to the minimum before we can see the economic clash in its nakedness.) Wages, not at merely subsistence level, but at a level which will allow of a full human life, inclusive of art, literature,

recreation and society, such as are enjoyed by the well-to-do—wages at that level ought, in the view implied by Labour's practical activities, to be the *second* irreducible charge upon industry. This leaves profits as the sole variable factor, and frankly envisages a situation in which they may have to cease to exist.

It must not be supposed that in the recent dispute such genuinely tolerable wages as I have indicated were demanded or expected by the men. No: the amazing, the staggering thing in all wage disputes is the moderation of the men's demands, their apparent willingness to accept for themselves a standard of life which the ordinary business man, the doctor, or even the sweated university teacher, would literally rather die than submit to.

Of course there are exceptions. Some comparatively small and highly-organised unions of skilled men have secured for their members wages greatly in excess of those earned by the poorer sections of the middle class, and, in very rare cases, even approximating to the earnings of moderately successful professional men. But of the vast bulk of manual workers it remains true that their demands are humiliatingly small, and that their reluctance to use their economic power in their own interests ought to earn the admiration and gratitude of their most venomous opponents! The Miners refused the owners' terms because, in many districts, those terms would have meant, for adult men with families, doing laborious, dangerous, and often highly specialised work, a wage equivalent to a pre-war sum of from twenty to twenty-five shillings a week. The Miners fought because, in the words of one of their own spokesmen, they thought "they might as well starve idling as starve working": and such is the immediate cause of almost all industrial disputes. The real cause—the cause *of* the cause—lies, as we have seen, deeper.

If production is enormously increased in the future, or costs enormously economised, the men (as is shown by the experience of the last fifty years, during which both these processes have been going on) will reap no satisfying proportion of the benefit. Their standard of life will, granted the continuance of the prevailing system, be much what it was. If, on the other hand, production is much curtailed, the capitalist will naturally—granted, still, the continuance of the system—attempt more and more to beat down wages in order to retain his profits. In either case, the industrial conflict will necessarily be embittered ; in the former case, because the contrast between wealth and poverty will become so much more obvious and odious ; in the latter case, because of sheer pressure of starvation.

**In any event, therefore, it is idle to trust to such cries as “more production” for the avoidance, or even the mitigation, of the class-conflict. The present system causes that conflict, and therefore that conflict will go on for the duration of the system. The only way to end the conflict is, on this argument, to end the system : and that, in a nutshell, is the case for revolution.**

If an industry can afford only a starvation wage, it stands self-condemned. Of course, if the whole yield of the whole industry of the country, taking the good years with the bad, were inadequate to pay more than a starvation wage to any section of the population, then a starvation wage would have to be accepted. It would be no use striking against it. It would be no use making a revolution for the better distribution of wealth which was not there to distribute. But the workers do not believe that such is the case : they do not believe it, because they see with their own eyes that it is not true. It does not need statistics to tell them that, even in the very

worst periods of trade depression and unemployment' the expensive restaurants are still full, huge sums of money change hands on the Stock Exchange, gorgeous motor cars roll through the country, the luxury shops of the West End continue in business, and the newspapers daily record advertisements and sales of prodigiously costly furs, jewels, and country houses.

In a word, the rich remain rich. They do not do this by miracle, or by some special providential dispensation from economic realities. They could not get the money if the money were not there to be got.

In my book, "The Coming Revolution in Great Britain," I calculated that, at any rate if war-time efficiency of organisation were kept up, the national income, after rather more than a thousand millions a year had been allotted to depreciation and reinvestment, would allow for an income of five hundred a year for each family in the money-value of the autumn of 1920. That this was a very moderate estimate of potentialities is shown by the fact that the International Financial Conference at Brussels subsequently estimated the actual income of this country last year at £112 10s. a head (between £450 and £500 per family).

It is obvious that some are getting much less than this, and others very much more; and while that is so it is idle to talk of any industry being unable to pay a living wage.

**All that is needed for a living wage is the redistribution of admittedly existing wealth. Will any one suggest that that is impossible in fact, or possible within the existing system?**

It may be true in a given year that a given industry cannot afford to pay a living wage. What then?

Unless it is an unnecessary and essentially bankrupt industry, which will in any case have to be

abandoned, it has made money in the past, and will make money in the future : the living wage for the present can be paid by "averaging out." It is notorious that in the five years from 1913 to 1918 the coal owners, apart from the royalty owners, drew out of the coal industry 130 millions, practically the equivalent of their whole pre-war capital. Did they suggest paying that back into the industry in order to save their fellow creatures from starvation ? Painfully rich as many of them are, they did not.

Suppose, on the other hand, that the coal industry, though necessary, is financially and permanently bankrupt ; then, the living wage for the workers in it should, in Labour's view, be taken from the superabundance of the profits in other industries. *The costs of the industry and a living wage for the workers in it are the constants : one an economic, the other a human, necessity.* To keep these constant, the variable factor, the unnecessary factor, the profit, must, on the revolutionary argument, go : not only in the particular industry, but, if necessary, in other industries—and indeed, in mere justice, it should go equally in all if it goes in any.

Socialists do not believe that such redistribution is practicable without the national ownership of all the great industries. But I am not here discussing the detail of method : I suggest merely that a system which denies men a living wage must go ; *and the more cogently it argues that, if it continues, a living wage cannot be paid, the more definitely it pronounces its own doom.*

If the above diagnosis is correct, the coal dispute cannot scientifically be regarded as an isolated phenomenon, best hurried over, buried and forgotten. If its causes are such as have been suggested : if industry in fact cannot, under capitalism, pay a wage acceptable to the workmen and at the same time a profit acceptable to the capitalist—then we



are on the brink of a new era such as Socialists have been called impractical for foretelling.

If our conclusion is correct, and no ultimate solution of Labour unrest is attainable within the present system, it follows that from the crisis of last April only defeat or victory was possible for Labour : you cannot compromise on essentials.

What actually happened, as we have seen, was defeat. And we have seen why. The consequence of that will, quite inevitably, be renewal of the fight. Had a so-called compromise been effected : that is to say, had each side gained some, but not all, of its immediate points, then after a time the situation would again have been precisely what it was when the recent crisis occurred, and again the fight would have been renewed. But what would have been involved in *victory* ? The men would have claimed, and been justified in claiming, victory, if they had secured the whole, or practically the whole, of their immediate demands : that is to say, the National Wages Board, the principle of the Pool, and a living wage. And this, it is said, would have led—not indeed to permanent peace, but to a very considerable period of satisfaction and co-operation and high productiveness, even under Capitalism, in the coal industry ? Such, perhaps, would be a reasonable conclusion, if it were possible to consider the coal industry in isolation.

It is not possible so to consider it. Seeing a victory of the Miners, won by the threat or employment of a general strike, the rest of the Movement would have refused to submit to wage-cuts. There would have been victory all along the line.

Now, to see what this implies we have once more to consider the employers' case. Their case, not merely in coal, but in all the industries which have been attacked, is that they cannot afford to run the industry without the cutting of wages. That is to

say, that the industry of the country will not produce both profits for the capitalists and a living wage for the workers.

If that contention is true (and it is the owners themselves who say it), then the victory of the working-class in the matter of wages would have meant automatically the abolition of profits, the retirement of the capitalists from industry, and, consequently, the taking over of all the main industries of the country by the State, or by the workers in the individual industries, or, more probably and desirably, by the State and the workers in the industries conjointly.

This would have been revolution in the economic sense. It would have been perfectly peaceful, legal, and constitutional. It would have involved no action whatever on the part of the workers except their legally admitted right to strike for a living wage.

But if the owners all along were saying that which was not true, the situation is rather different. In that case, they could have suffered defeat and still continued in business ; and that, I believe, is what they actually would have done. But undoubtedly their profits would have suffered, and they would not have sat down quietly under that. In some form, and very soon, *they* would have renewed the fight.

It is, therefore, obvious that, in any industrial crisis, defeat, victory and "compromise" work out, in the long run, to the same conclusion. They differ in desirability, because they differ in the amount of suffering involved for the people of the country during the transition stages between the present system and that which, under the pressure of capitalism itself, is going to succeed it. *But they do not differ in essence, because of this one central fact—that no immediate settlement of detailed disputes within the system will prevent disputes from recurring, and*

*recurring on an ever-increasing scale, until finally the cause of those disputes is removed.*

This appears to be an economic necessity implicit in the actual operations of the present system. The argument demonstrating the necessity is, as we have seen, a sheer logical analysis of what happens, and does not depend upon one's views as to what is desirable. That is why I have, in the present discussion, confined myself to the trade union structure necessary to carry out the aim which is implied in all the movement towards Labour's ultimate goal.

The central fact is that Labour will never rest content on a mere subsistence wage, and that Capitalism will never yield it more. Therefore, however unconscious many of those who take part in the Labour Movement may be of the goal to which that Movement is tending—*there is the goal, and thither the Movement tends.*

For those who desire to hasten the attaining of the goal, the main concern is, I believe, education. To get an early and peaceful establishment of a co-operative commonwealth and a decent wage for all, it is necessary that the bulk of the workers should come consciously and intelligently to desire those ends. No structure, no organisation, no machinery, will be more than a farce without education and understanding, without courage and will. But the two things go together. Education should inspire organisation, and organisation should embody a conscious purpose. By universal admission, the past organisation of trade unionism has—not through the fault of individuals, but through the pressure of events—lagged behind the economic needs of the day.

# PAMPHLETS 6d. each.

---

## Labour Booklets

BIG NAVIES AND CHEAP LABOUR. By "Deucalion"  
The clash of British, American, and Japanese interests in the Pacific

COMMUNISM. By Eden and Cedar Paul  
A clear statement of what Communism is.

LABOUR AND THE LAND. By H. D. Harben  
A suggested agricultural policy for the Labour Party

THE CONTROL OF INDUSTRY. By Margaret I. Cole

THE GOVERNMENT OF IRELAND. By Mrs. J. R. Green  
Foreword by George Russell (Æ)

INDIA AND ITS GOVERNMENT. By A. Fenner Brockway

## Workers Control Series By G. D. H. COLE

1. THE MINING INDUSTRY
2. THE DISTRIBUTIVE INDUSTRY
3. FOR RAILWAYMEN
4. ENGINEERING AND SHIPBUILDING
5. THE TEXTILE INDUSTRIES

## National Guild Series

THE POLICY OF GUILD SOCIALISM

GUILDS AND THE SALARY EARNER. By J. Henry Lloyd

UNEMPLOYMENT AND INDUSTRIAL MAINTENANCE.  
By G. D. H. Cole

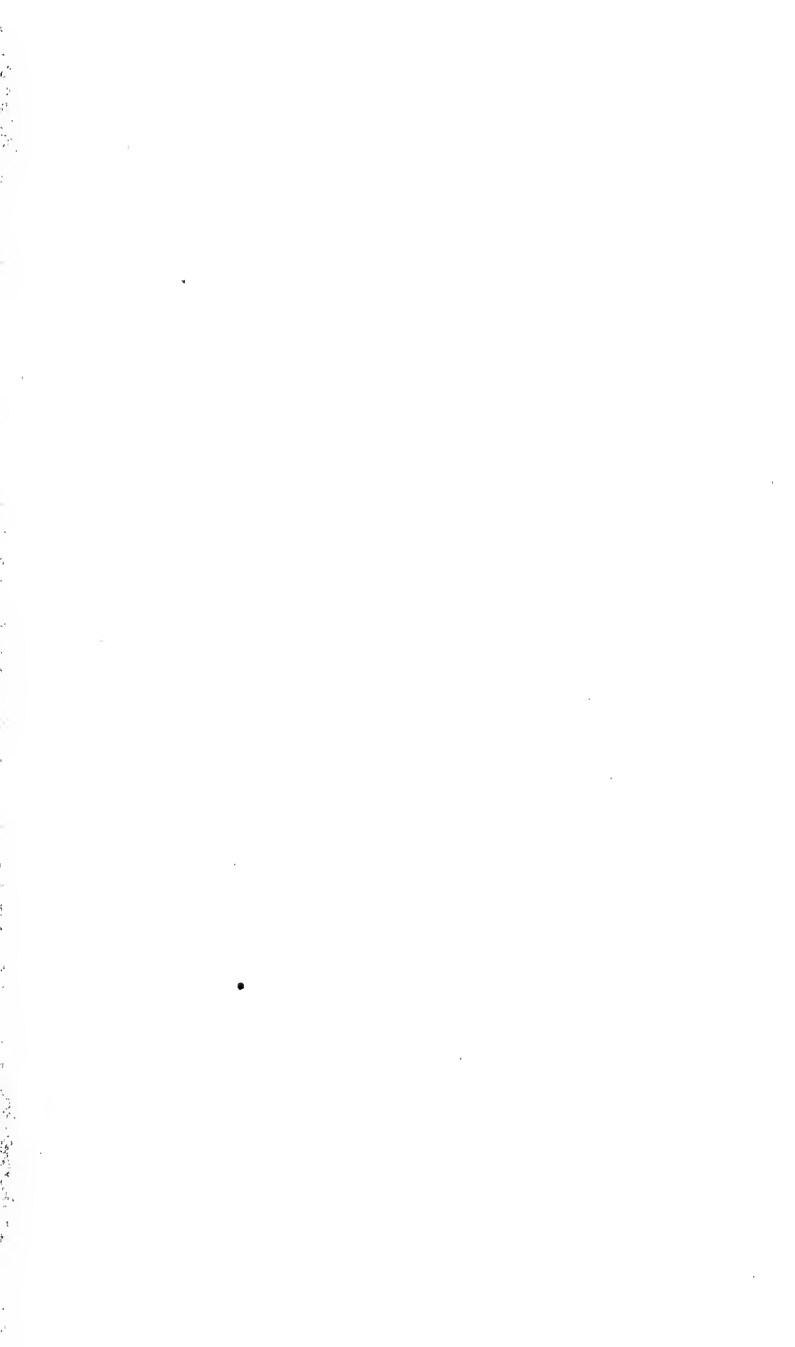
EDUCATION AND THE GUILD IDEA

---

A specimen set of these fifteen pamphlets will be  
supplied by the Company for 5s., post free 5s. 5d.

---

**THE LABOUR PUBLISHING COMPANY, LTD.**  
6, TAVISTOCK SQUARE, LONDON, W.C.



UNIVERSITY OF CALIFORNIA LIBRARY

Los Angeles

This book is DUE on the last date stamped below.

INSTITUTE OF INDUSTRIAL RELATIONS  
LIBRARY

CRW

APR 28 1974

Form L9-37mc-3,57 (C5 42484) 444

THE LIBRARY  
UNIVERSITY OF CALIFORNIA  
LOS ANGELES

UCLA-Young Research Library

HD6460 .G73I

yr



L 009 530 287 3

588  
319